

ORIGINAL

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Special Services Fees and Classifications) Docket No. MC96-3

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS TIMOTHY D. ELLARD
(OCA/USPS-T6-25-28)
(August 6, 1996)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA Interrogatories 1-4 to the United States Postal Service dated June 19, 1996, are hereby incorporated by reference.

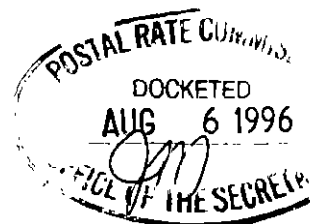
Respectfully submitted,

Gail Willette

GAIL WILLETTE
Director
Office of the Consumer Advocate

Shelley Dreifuss

SHELLEY DREIFUSS
Attorney



OCA/USPS-T6-25. Please refer to Table 1 of your testimony and to the actual post box office fees proposed by witness Needham in USPS-T-7.

- a. Please confirm that for a given group and box size the same set of proposed fees was tested—regardless whether the non-resident fee would apply.
- b. Please confirm that the proposed non-resident fee is \$36 a year higher than the resident fee for each group I and II box size.
- c. Please confirm that for Groups I and II, the non-resident fee proposals are close to your survey's highest tested price and that the resident fee proposals are close to your survey's lowest tested price. If you do not confirm, please explain.
- d. Please confirm that the non-resident respondents were not informed that their fees would generally run \$36 a year more than the resident post office box fees.

OCA/USPS-T6-26. Refer to Table 7, page 15, of your testimony concerning the acceptance of three price levels.

- a. Please confirm that Table 7 does not differentiate between the acceptance rates for non-residents and residents at the

rates that each would be subject to under the proposal (see, OCA/USPS-T6-25(c)). If you do not confirm, please explain.

- b. If you confirm the response to "a", provide the acceptance rates relevant to the proposed rate separately for non-residents and residents.
- c. Please explain how the problems caused by non-residents will be alleviated in light of your response to "a" and "b" above.

OCA/USPS-T6-27. Please refer to page 7 of your testimony where you explain that objections to rate increases are likely to be overstated.

- a. Please provide citations to survey literature that support this conjecture.
- b. Please explain how the true acceptance rate should be determined from your survey results. Please provide citations to support any specific recommendations for adjusting the survey estimates of price acceptance.
- c. Please refer to page A2 of USPS-T-1. Witness Lyons chooses the midpoint between 100 percent and the survey result as the estimate of acceptance for the proposed rates. Did you recommend this procedure? If so, please explain why the

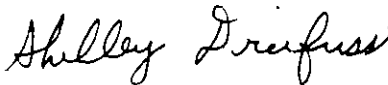
midpoint is superior to any other point between 100 percent and the survey estimate.

OCA/USPS-T6-28. Please refer to your responses to OCA/USPS-T6-11c and to OCA/USPS-T6-18. In both of these responses you stated that you do not believe that these data are suitable for inference. Please elaborate on the reasons for this conclusion.

- a. Is your belief solely due to the sparse response by waiting list customers leading to relatively large sampling errors? Please explain.
- b. Are you aware of weaknesses (other than small sample size) that render these data unsuitable for inference? Please describe any such weaknesses.
- c. Can any estimates or comparisons be made using these data? Please explain fully.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 3.B(3) of the special rules of practice.


SHELLEY DREIFUSS
Attorney

Washington, D.C. 20268-0001
August 6, 1996